

The Majority Party has done nothing to address many of those needs. It has done nothing to help the thousands of unemployed Americans who have lost their jobs in the Bush recession. It has done nothing to help workers with their emergency health care needs. It has done nothing to pass an economic stimulus that really helps working families.

I urge my colleagues to vote no on the Thomas bill, and I urge the Majority to give us a fair vote on a fair trade bill—the Rangel substitute.

#### AMENDING INTERNAL REVENUE CODE TO SIMPLIFY REPORTING

SPEECH OF

**HON. DONALD A. MANZULLO**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 4, 2001*

Mr. MANZULLO. Mr. Speaker, of the many Federal regulations with which colleges and universities are required to comply, one of the most onerous is that associated with the HOPE scholarship and lifetime learning tax credit. Originally enacted as part of the Taxpayer Relief Act of 1997, the tax credits were intended to give parents back more of their hard-earned money, up to \$1,500 for the first 2 years of college, so that they could better afford to send their children to school.

While we were successful in providing, this tax relief for students and families, we discovered an unintended consequence: an unfunded mandate burdening colleges, trade schools, community colleges, and universities in the form of a reporting requirement administered by the IRS.

I became aware of this regulatory issue during the fall of 1997. I was discussing several concerns with Dr. La Tourette, president of Northern Illinois University. While talking about the merits of the HOPE scholarship, he dropped the bombshell on me and informed us of the new Federal requirements forcing all 6,000 institutions of higher education in this country to collect unprecedented information on their students and disseminate that information to the IRS.

I knew compliance with the reporting requirement would be expansive and expensive and would ultimately be borne by the very families that they were trying to help with the HOPE scholarship program. Both large and small institutions have been hit hard by the reporting requirement. The cost to schools to implement and abide by these regulations will soar into the hundreds of millions of dollars. And, of course, they will be passed on to the consumers of education, which are the parents and the students.

Since my conversation with Dr. La Tourette, I have worked with members of the higher education community and with Commissioner Charles Rossotti of the IRS to simplify the reporting requirements and ease the burden of the regulations on the colleges and universities of this country. Today, I am proud to say that H.R. 3346 is the product of a partnership that evolved between the IRS, the Treasury Department, the higher education community,

#### EXTENSIONS OF REMARKS

and myself, and this can serve as a model for how we can positively impact higher education in the future by working together.

Specifically, while H.R. 3346 maintains the reporting requirement, the bill eliminates certain elements of the law such as reporting a third party's Social Security number, and changes others, such as allowing schools to report the amount students are billed or the amount they are paid. It is my hope that the simplifications instituted as part of H.R. 3346 will make the reporting significantly easier on colleges and universities.

Early estimates from Northern Illinois University predict that as a result of the passage of this bill, this school could avoid a one-time cost of approximately \$90,000. This includes the costs of program computer systems to accommodate requirements included in the original legislation that are not included in the pending legislation, as well as what it would cost initially to implement Social Security number reporting of the taxpayer claiming the student as a dependent.

Additionally, the university would have incurred ongoing costs on an annual basis for solicitation and data entry of the student-reported information, and those costs are estimated at \$30,000 a year. The University of California's system expects to save \$1 million in the first year alone as a result of H.R. 3346. Overall, the savings the schools will attain as a result of this legislation are very significant. When we consider that most institutions of higher education would incur costs of similar proportion, the impact is particularly traumatic.

I would be remiss if I did not take a moment to heartily thank Commissioner Rossotti with whom we met on no less than three different occasions in order to fashion this legislation. I also want to thank Judy Dunn, Curt Wilson and Beverly Babers of the staff. I would like to thank Northern Illinois University, both former president Dr. La Tourette and current president Dr. John Peters and Kathe Shinham from the school for their insights and efforts as we have worked to craft this legislation. This bill is a memorial to Dr. Ruth Mercedes-Smith, former president of Highland Community College, who was killed in a car accident several months ago. Her support for our work was invaluable. Also, Dr. Chappelaine of Rock Valley Community College, Dr. LaVista of McHenry Community College, Jacquelyn Ito-Woo of the University of California, and Mary Bachinger and Anne Gross of the National Association of Colleges and University Business Officers. All of these groups worked tirelessly together in order to craft the legislation. It took us 4 years to do it. During that period of time, the IRS worked with us, they withheld the implementation of these regulations because they knew that the goal was worthy. Lastly, I want to thank Sarah Giddens of our staff who, for 4 years, tirelessly worked on this legislation, dogging it dot by dot, i by i, in the hundreds of meetings, literally, that she had and the hours that she poured into this piece of legislation.

Mr. Speaker, it is a great piece of legislation. Instead of spending money on regulatory compliance, the schools can spend that money doing what they do best, and that is educating the kids.

*December 12, 2001*

#### TRIBUTE TO DANIEL HENRY PETITHORY

**HON. JOHN W. OLVER**

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 11, 2001*

Mr. OLVER. Mr. Speaker, I rise today to honor Sergeant 1st Class Daniel Henry Petithory. Sergeant Petithory was killed December 5, 2001, while serving in the Army's Fifth Special Forces Group near Kandahar, Afghanistan as part of Operation Enduring Freedom. He was one of the first military casualties of the conflict in Afghanistan.

Sergeant Petithory was born and raised in Cheshire, MA, in northern Berkshire County. A graduate of Hoosac Valley High School, he enlisted in the Army upon graduating from high school in 1987.

He attended Air Assault School at Fort Rucker, AL, and later served as a military police officer stationed at Fort McClelland, AL. He was a member of the special reaction team at Fort McClelland.

Sergeant Petithory served in contingency operations in Kuwait, Haiti, Africa, and throughout southwest Asia. He became a Green Beret, and at the time of his death he was serving as a communications expert with the Fifth Special Forces Group stationed at Fort Campbell, KY.

He leaves behind his parents, Louis and Barbara Petithory of Cheshire, a brother, Michael, and a sister, Nicole.

Our Armed Forces were deployed to Afghanistan in our struggle against international terrorism, Daniel Petithory died to help bring freedom to the Afghan people, and he fought to guarantee the peace and security for all American citizens.

Daniel Petithory's death is a great loss for his hometown and his country. America owes him a tremendous debt for his work protecting our Nation and fighting terrorism. Sergeant Petithory's willingness to risk his life in service to his country demonstrates his courage and patriotism. His heroism will not be forgotten.

#### TRIBUTE TO JOHN H. "JACK" RUST, JR.

**HON. TOM DAVIS**

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, December 11, 2001*

Mr. TOM DAVIS of Virginia. Mr. Speaker, I rise today to pay tribute to John H. "Jack" Rust Jr., who for the last 4½ years has represented Virginia's 37th House District in the General Assembly with flair and acumen. While Jack's tenure in the state House comes to an end in January 2002, his contributions to his constituents will remain for decades to come.

Elected to Virginia's House of Delegates in December 1996, Jack served on both the Joint Subcommittee to Study Revising the State Tax Code and the Finance Subcommittee Studying Tax Structure. From there, he championed a restructuring of Virginia's tax system because he saw an opportunity to bring a more equitable share of state